



# **National Finance Center Customer Notification**

**Date of Notification:** August 15, 2011

**Subject:** NFC Federal Employees' Group Life Insurance Issue - Update

**Database/Customer(s) Affected:** All

**Dear Customer:**

The National Finance Center (NFC) is sending this notification as a follow-up to a notice dated July 26, 2011, stating that an issue occurred with the Federal Employees' Group Life Insurance (FEGLI) program deductions.

The issue involved under deductions for individuals who had a change in the life insurance age bracket in Pay Period 26, FY11. In Pay Period 10, CY11, a program modification correcting the generation of the FEGLI age bracket was implemented. The underpayment was not calculated for pay periods 1 through 9, 2011.

NFC has identified the employees affected and the amount of the salary overpayment of each employee. In the processing for Pay Period 16, bills will be generated for the impacted employees. In accordance with OPM policy, amounts that do not exceed \$10.00 will be withheld in Pay Period 17. Bills will not be issued to the employees in this category.

For the remaining impacted employees, billing notices will be mailed to Servicing Personnel Offices (SPO) during the week of August 22, 2011, via the normal mailing process. NFC's Client Management Branch (CMB) Dedicated Customer Service Representatives will provide, via email, authorized agency Points-of-Contact (POC) with a listing of the impacted employees. NFC recommends that SPOs provide a copy of this notice, along with the billing notice, to each impacted employee.

The billing notice provides the employee with the following options: 1) have NFC deduct the full payment in Pay Period 20 or, 2) pay by check prior to that time. Note: If the deduction amount is greater than 15% of the disposable income, then the total will be deducted in bi-weekly installments.

For the affected employees, the pay adjustment will appear on the Pay Period 16 earnings and leave statement as a salary overpayment versus a FEGLI deduction. The deduction will appear in the year-to-date only field, not in the Pay Period 16 deductions.

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## **"Tip of the Week"**

Pay Period Calendars by Calendar Year and Accounting/Pay Period Calendars by Fiscal Year are available for downloading on the NFC Homepage under the Forms tab.

There are a group of employees in the affected population that will not be included in the billing generated in PP16. This subset consists of employees with unique criteria that will prevent them from being included in the automatic billing process, e.g., adjustments, separations. This group of employees will be processed manually by NFC and bills will be generated at a later date. During the week of August 15, 2011, agencies will be provided with a list of these employees.

**Federal employees with questions concerning this notification should contact their Servicing Personnel Office.** Authorized agency representatives with questions concerning this notification should contact NFC's Client Management Branch at [Customer.Support@nfc.usda.gov](mailto:Customer.Support@nfc.usda.gov).

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